Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL

MONTHLY REPORT JANUARY 1992

2024338429

COPY: M. S. GOLDBERG

PHILIP MORRIS INTERNATIONAL

MONTHLY REPORT

JANUARY 1992

2024338430

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

TABLE OF CONTENTS
JANUARY 1992

	PAGE
I. HIGHLIGHTS	
Volume and Income Highlights	1
Executive Summary	2
II. VOLUME AND MARKET SHARE	
Regional Unit Volume	
- Chart	3
- Summary	4
Unit Volume - Major Markets	5
Unit Volume - US and Brazil Exports	6
Unit Volume by Brand	7
Market Share Performance - Major Markets	8
Explanation of Volume/Market Share Variances	9
Major New Brand Launches - In-Market Performance	10
III. PRICING AND MARGINS	
Pricing Changes - Major Markets	11
Forecasted Price Increases Not Yet Implemented	12
Marginal Contribution - Major Markets	13

	PAGE
IV. INCOME	
Consolidated Statement of Earnings	14
Regional Summary	
- Income from Operations	15
- Net Income	16
Analysis of Income from Operations	
- Variance vs. Forecast	17
- Variance vs. Prior Year	18
Income from Unconsolidated Companies	19
Royalty Income	20
V. FINANCIAL POSITION	
Consolidated Balance Sheet	21
Consolidated Statement of Cash Flows	22
Trade Receivables - Major Customers	23
Major Capital Expenditures	24
VI. OTHER	
Key Financial Ratios	25
Key Exchange Rates	26
Listing of Licensees and Affiliates	27

2024338431

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

HIGHLIGHTS

2024338432

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

HIGHLIGHTS

2024338433

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
HIGHLIGHTS
JANUARY 1992

VOLUME (billions)

Actual	vs. Budget	% vs. 1991
41.9	+ 1.0	- 7.8 %

Variance to Budget

Timing of shipments to Wider Levant, higher shipments to Latin America Exports, and higher volume in Argentina, Ecuador and Mexico, partially offset by timing of shipments to Japan, and lower volume in Germany.

Variance to 1991

Lower volume in Germany and Yugoslavia, and lower shipments to EEC Duty Free, Turkey, Poland, Russia, Japan and Asia Duty Free, partially offset by higher shipments to Wider Levant, PRC and Latin America Exports, and higher volume in Argentina and Ecuador.

INCOME FROM OPERATIONS ($ millions)

Actual	vs. Budget	% vs. 1991
$281.9	+ $ 0.8	+ 13.8 %

Variance to Budget

Favorable currency, partially offset by lower volume in Germany.

Variance to 1991

The favorable variance is due to a January 1991 provision of $25 million for the Russian Contract asset exposure, and January 1992 collections from EEC Duty Free customers, partially offset by lower volume.

2024338434

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
EXECUTIVE SUMMARY
JANUARY 1992

January unit volume of 41.9 billion was 1.0 billion above budget, but 3.5 billion below 1991 due to lower exports to Russia, Poland, Yugoslavia, Turkey, Japan and Asia Duty Free. Latin America food volume of 21.3 thousand metric tons was 0.3 thousand above budget and 10.1% ahead of last year.

In **Italy**, despite the suspension of three of our top brands from the market for thirty days, January volume of 4.1 billion units was in line with budget and last year. Increased demand for our remaining trademarks and trade restocking in the second half of the month made up for low sales in early January. In **Germany**, our sales were down 8.8% from last January, to 5.8 billion. The industry was down 14.4% as a result of the payback from loading prior to the fourth quarter 1991 price increases, and a reduction in sticks in vend packs. The vending situation is temporary and will be rectified with the next price increase in March. In **France**, volume of 3.1 billion was 2.4% ahead of last year, and in line with budget. In **Spain**, sales of 1.1 billion were 14.7% ahead of 1991 and in line with budget. In **Belgium**, volume was up 10.1% from 1991, to 572 million units.

In **Turkey**, shipments of 1.1 billion were 43% below last year and 19.7% below budget. The decline was mainly due to the high absolute price of Marlboro and its 50% price premium to Tekel's blended product, Tekel 2000. In **Yugoslavia**, export and licensee volume of 218 million was 135 million below budget and 59% below last year due to continued civil unrest and a deteriorating economy. In **Poland**, we sold 360 million, in line with budget but 38.9% below 1991 due to high sales last year following a temporary reduction in excise taxes on imported cigarettes. In **Russia**, we shipped the final 1.2 billion units under the 1991 contract. Shipments under the 1992 contract have been delayed pending finalization of the financial protocol. Separately, we have reached agreement to supply an additional 1.8 billion units to Russia, bringing our 1992 export order to 13.1 billion, if satisfactory financial security can be arranged.

Exports to **Japan** were 2.6 billion, in line with budget but 26.2% behind last year, due to timing of shipments. In-market sales of 2.4 billion were 6.0% ahead of last year. Licensee Marlboro sales were 319 million, 25% ahead of 1991 and in line with budget. **Asia Duty Free** volume of 725 million was 301 million below budget due to timing of shipments. Lunar New Year promotions helped boost shipments to **Taiwan** which were 135 million over budget at 383 million; and to **Korea**, which were ahead by 76 million at 282 million.

We sold 1.6 billion units in **Argentina**. This was 21.9% ahead of last year and 138 million above budget. Volume continued to be favorably affected by the narrowing of the price gap between Marlboro and mainstream brands. Marlboro was the top selling brand for the first time with a 22.4% market share. In **Mexico**, sales of 1.2 billion units were 4.5% above 1991 and 114 million ahead of budget.

Mexico food volume was 3.3 thousand metric tons, 8% ahead of 1991 due to higher sales of powdered soft drinks, Philadelphia Cream Cheese and Kraft Mayonnaise. In **Brazil**, sales of 14.5 thousand were 8.2% ahead of 1991, but 0.5 thousand below budget, due principally to the January 2 price increase.

January income from operations was $281.9 million, 13.8% ahead of last year and in-line with budget.

2024338435

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

VOLUME/
MARKET SHARE

2024338436

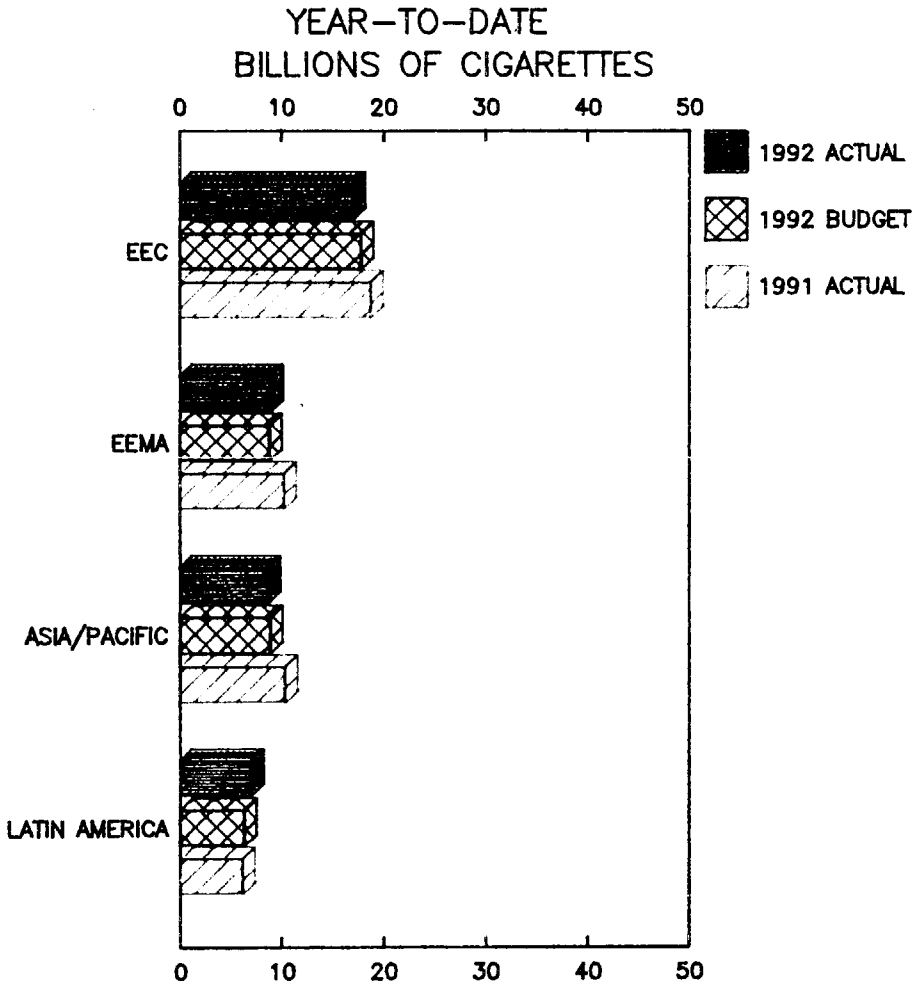
Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

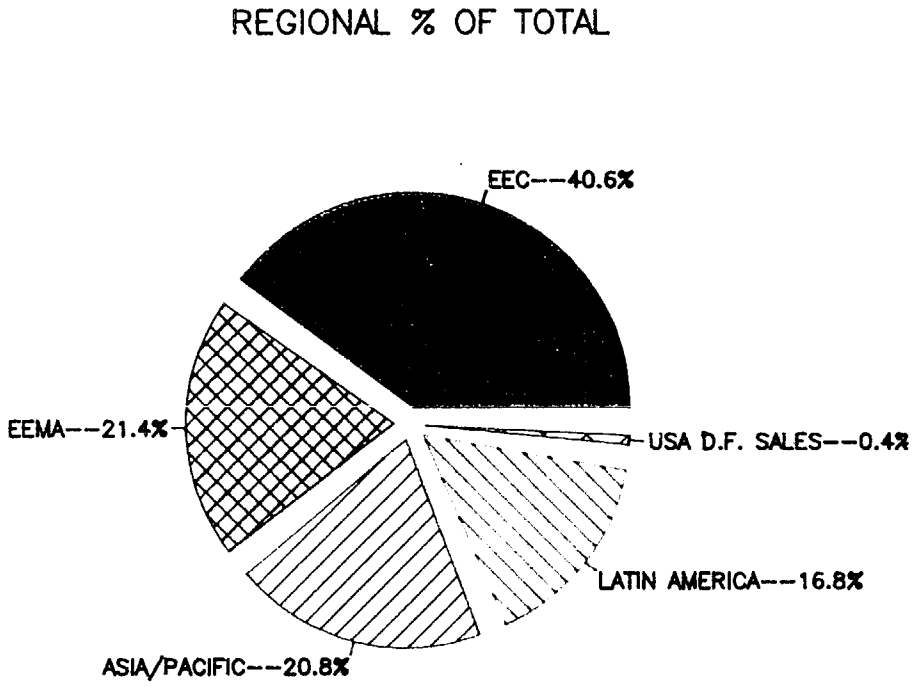
2024338437

VOLUME /
MARKET SHARE

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
REGIONAL UNIT VOLUME
JANUARY 1992





2024338438

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
REGIONAL UNIT VOLUME
JANUARY 1992

(Units in Millions)

MONTH					YEAR - TO - DATE			
Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991		Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991
17,034.0	18,734.5	(766.0)	(9.1) %	EEC	17,034.0	18,734.5	(766.0)	(9.1) %
8,975.1	10,199.6	170.1	(12.0)	EEMA	8,975.1	10,199.6	170.1	(12.0)
8,740.6	10,274.8	(128.4)	(14.9)	ASIA/PACIFIC	8,740.6	10,274.8	(128.4)	(14.9)
7,045.8	6,145.2	758.8	14.7	LATIN AMERICA	7,045.8	6,145.2	758.8	14.7
154.3	130.6	24.3	18.1	DUTY FREE SALES (U.S.A.)	154.3	130.6	24.3	18.1
-	-	892.0	-	INTER-REGIONAL ADJUSTMENTS	-	-	892.0	-
41,949.8	45,484.7	950.8	(7.8) %	TOTAL CIGARETTE VOLUME	41,949.8	45,484.7	950.8	(7.8) %
				FOOD VOLUME (METRIC TONS)				
21,289.0	19,344.0	311.0	10.1 %	LATIN AMERICA	21,289.0	19,344.0	311.0	10.1 %

2024338439

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
UNIT VOLUME - MAJOR MARKETS - CIGARETTES
JANUARY 1992

(Units in Millions)

MONTH					YEAR - TO - DATE			
Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991	Market	Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991
5,771.4	6,325.2	(672.6)	(8.8) %	Germany	5,771.4	6,325.2	(672.6)	(8.8) %
4,121.4	4,132.5	(83.6)	(0.3)	Italy (a)	4,121.4	4,132.5	(83.6)	(0.3)
3,125.3	3,051.1	87.3	2.4	France	3,125.3	3,051.1	87.3	2.4
1,138.0	992.0	32.0	14.7	Spain Mainland (a)	1,138.0	992.0	32.0	14.7
624.3	1,877.8	22.3	(66.8)	EEC Duty Free	624.3	1,877.8	22.3	(66.8)
774.2	753.2	26.2	2.8	Switzerland	774.2	753.2	26.2	2.8
352.6	448.2	(13.4)	(21.3)	Finland	352.6	448.2	(13.4)	(21.3)
218.0	533.5	(135.0)	(59.1)	Yugoslavia (a)	218.0	533.5	(135.0)	(59.1)
360.5	589.6	(35.5)	(38.9)	Poland (a)	360.5	589.6	(35.5)	(38.9)
301.5	97.2	80.5	100.0+	Hungary	301.5	97.2	80.5	100.0+
1,156.4	2,057.3	(313.6)	(43.8)	C.I.S. (a)	1,156.4	2,057.3	(313.6)	(43.8)
1,053.3	1,848.0	(259.7)	(43.0)	Turkey	1,053.3	1,848.0	(259.7)	(43.0)
898.6	579.0	97.6	55.2	Saudi Arabia	898.6	579.0	97.6	55.2
2,930.9	3,795.6	(113.1)	(22.8)	Japan (a)	2,930.9	3,795.6	(113.1)	(22.8)
1,409.1	1,556.8	(190.9)	(9.5)	Australia	1,409.1	1,556.8	(190.9)	(9.5)
382.6	202.0	134.6	89.4	Taiwan	382.6	202.0	134.6	89.4
803.1	772.9	(8.9)	3.9	Hong Kong (a)	803.1	772.9	(8.9)	3.9
489.4	220.6	152.4	100.0+	PRC	489.4	220.6	152.4	100.0+
281.8	156.6	75.8	79.9	Korea	281.8	156.6	75.8	79.9
1,075.6	1,022.0	133.6	5.2	Philippines	1,075.6	1,022.0	133.6	5.2
724.9	2,036.4	(301.1)	(64.4)	Asia Duty Free	724.9	2,036.4	(301.1)	(64.4)
1,623.1	1,331.3	138.1	21.9	Argentina	1,623.1	1,331.3	138.1	21.9
1,717.0	1,769.1	51.0	(2.9)	Brazil Domestic	1,717.0	1,769.1	51.0	(2.9)
1,235.0	1,182.1	114.0	4.5	Mexico	1,235.0	1,182.1	114.0	4.5
441.5	348.6	62.5	26.6	Venezuela	441.5	348.6	62.5	26.6
642.9	380.1	173.9	69.1	LA Exports	642.9	380.1	173.9	69.1
154.3	130.6	24.3	18.1	USA Duty Free	154.3	130.6	24.3	18.1
8,143.1	7,295.4	1,672.1	11.6	Other Markets	8,143.1	7,295.4	1,672.1	11.6
41,949.8	45,484.7	950.8	(7.8) %	Total	41,949.8	45,484.7	950.8	(7.8) %

(a) Includes licensee volume

2024338440

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
UNIT VOLUME - MAJOR MARKETS - FOOD
JANUARY 1992

(Metric Tons)

MONTH					YEAR - TO - DATE			
Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991	Market	Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991
863.0	430.0	369.0	100.0+ %	Argentina	863.0	430.0	369.0	100.0+ %
11,000.0	10,149.0	(201.0)	8.4	Brazil - Kibon	11,000.0	10,149.0	(201.0)	8.4
1,429.0	1,482.0	(130.0)	(3.6)	- Sorvane	1,429.0	1,482.0	(130.0)	(3.6)
2,118.0	1,814.0	(128.0)	16.8	- Q-Refres-Ko	2,118.0	1,814.0	(128.0)	16.8
959.0	984.0	(121.0)	(2.5)	Venezuela	959.0	984.0	(121.0)	(2.5)
273.0	310.0	(42.0)	(11.9)	Panama	273.0	310.0	(42.0)	(11.9)
825.0	677.0	196.0	21.9	Puerto Rico	825.0	677.0	196.0	21.9
551.0	470.0	84.0	17.2	L.A. Exports	551.0	470.0	84.0	17.2
3,271.0	3,028.0	284.0	8.0	Mexico	3,271.0	3,028.0	284.0	8.0
21,289.0	19,344.0	311.0	10.1 %	Total	21,289.0	19,344.0	311.0	10.1 %

2024338441

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
U.S. EXPORT VOLUME - MAJOR MARKETS
JANUARY 1992

(Units in Millions)

MONTH					YEAR - TO - DATE			
Actual 1992	Actual 1991	Variance vs. Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991	Market	Actual 1992	Actual 1991	Variance vs. Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991
250.0	541.8	88.0	(53.9) %	Duty Free	250.0	541.8	88.0	(53.9) %
54.5	140.1	(63.5)	(61.1)	Israel	54.5	140.1	(63.5)	(61.1)
304.5	681.9	24.5	(55.3)	Total EEC	304.5	681.9	24.5	(55.3)
1,047.3	1,847.6	(263.7)	(43.3)	Turkey	1,047.3	1,847.6	(263.7)	(43.3)
179.3	480.1	(37.7)	(62.7)	Cyprus Duty Free	179.3	480.1	(37.7)	(62.7)
843.4	532.7	63.4	58.3	Saudi Arabia	843.4	532.7	63.4	58.3
66.8	129.8	(71.2)	(48.5)	UAE	66.8	129.8	(71.2)	(48.5)
70.9	268.9	(36.1)	(73.6)	Yugoslavia	70.9	268.9	(36.1)	(73.6)
0.0	394.2	(8.0)	(100.0)	Poland	0.0	394.2	(8.0)	(100.0)
33.4	617.9	(196.6)	(94.6)	C.I.S.	33.4	617.9	(196.6)	(94.6)
189.8	421.9	(190.2)	(55.0)	Africa	189.8	421.9	(190.2)	(55.0)
554.9	412.4	(285.1)	34.6	Other	554.9	412.4	(285.1)	34.6
2,985.8	5,105.5	(1,025.2)	(41.5)	Total EEMA	2,985.8	5,105.5	(1,025.2)	(41.5)
2,593.1	3,514.5	(109.9)	(26.2)	Japan	2,593.1	3,514.5	(109.9)	(26.2)
382.6	202.0	134.6	89.4	Taiwan	382.6	202.0	134.6	89.4
802.1	771.5	(8.9)	4.0	Hong Kong	802.1	771.5	(8.9)	4.0
489.4	212.5	152.4	100.0 +	PRC	489.4	212.5	152.4	100.0 +
281.8	156.6	75.8	79.9	Korea	281.8	156.6	75.8	79.9
703.6	1,944.0	(234.4)	(63.8)	Duty Free	703.6	1,944.0	(234.4)	(63.8)
420.0	367.1	80.0	14.4	Other	420.0	367.1	80.0	14.4
5,672.6	7,168.2	89.6	(20.9)	Total Asia/Pacific	5,672.6	7,168.2	89.6	(20.9)
618.6	368.5	166.6	67.9	Duty Free	618.6	368.5	166.6	67.9
62.3	39.2	12.3	58.9	Puerto Rico	62.3	39.2	12.3	58.9
680.9	407.7	178.9	67.0	Total Latin America	680.9	407.7	178.9	67.0
154.3	130.6	25.3	18.1	USA Duty Free	154.3	130.6	25.3	18.1
0.0	0.0	725.0	0.0	Other Markets	0.0	0.0	725.0	0.0
9,798.1	13,493.9	18.1	(27.4) %	Total	9,798.1	13,493.9	18.1	(27.4) %

2024338442

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
BRAZIL EXPORT VOLUME - MAJOR MARKETS
JANUARY 1992

(Units in Millions)

MONTH					YEAR - TO - DATE			
Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991	Market	Actual 1992	Actual 1991	Variance vs.Budget Fav/(Unfav)	Percent Inc/(Dec) vs. 1991
0.6	0.0	(4.8)	100.0+ %	Yugoslavia	0.6	0.0	(4.8)	100.0+ %
57.1	111.6	32.4	(48.8)	Poland	57.1	111.6	32.4	(48.8)
284.6	1,162.5	(417.3)	(75.5)	C.I.S.	284.6	1,162.5	(417.3)	(75.5)
1,148.9	496.7	971.0	100.0+	Cyprus Duty Free	1,148.9	496.7	971.0	100.0+
308.6	109.3	162.2	100.0+	Others	308.6	109.3	162.2	100.0+
1,799.8	1,880.1	743.5	(4.3)	Total EEMA	1,799.8	1,880.1	743.5	(4.3)
0.0	8.1	0.0	(100.0)	PRC	0.0	8.1	0.0	(100.0)
40.0	118.2	(70.0)	(66.2)	Duty Free	40.0	118.2	(70.0)	(66.2)
40.0	126.3	(70.0)	(68.3)	Total Asia	40.0	126.3	(70.0)	(68.3)
1,839.8	2,006.4	673.5	(8.3) %	Total	1,839.8	2,006.4	673.5	(8.3) %

2024338443

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
REGIONAL UNIT VOLUME - SUMMARY BY BRAND
JANUARY 1992

(Units in Millions)

	Marlboro Red	Marlboro Lights	Other Marlboro	Total Marlboro	Philip Morris	Parliament	Merit	Virginia Slims	Lark	Chesterfield	All Other	Total YTD
EEC	9,589.1	1,757.6	59.1	11,405.8	1,881.2	27.3	622.2	0.1	16.9	463.2	2,617.3	17,034.0
EEMA	3,955.7	601.0	38.7	4,595.4	191.2	164.9	69.0	0.0	6.3	572.5	3,375.8	8,975.1
Asia/Pacific	3,269.6	475.1	52.6	3,797.3	834.2	681.1	268.4	429.2	1,299.5	0.0	1,430.9	8,740.6
Latin America	2,687.4	388.2	2.7	3,078.3	89.8	102.5	25.7	16.8	125.1	131.6	3,476.0	7,045.8
Duty Free (USA)	83.1	31.5	3.2	117.8	1.0	2.6	3.2	2.2	2.6	0.1	24.8	154.3
TOTAL 1992	19,584.9	3,253.4	156.3	22,994.6	2,997.4	978.4	988.5	448.3	1,450.4	1,167.4	10,924.8	41,949.8
% of Total 1992	46.7%	7.8%	0.4%	54.8%	7.1%	2.3%	2.4%	1.1%	3.5%	2.8%	26.0%	100.0%
TOTAL 1991	22,856.5	2,672.7	138.3	25,667.5	2,720.1	1,091.3	1,488.2	365.1	2,009.9	1,164.3	10,978.3	45,484.7
% of Total 1991	50.3%	5.9%	0.3%	56.4%	6.0%	2.4%	3.3%	0.8%	4.4%	2.6%	24.1%	100.0%
1992 VS. 1991 (%)	-14.3%	21.7%	13.0%	-10.4%	10.2%	-10.3%	-33.6%	22.8%	-27.8%	0.3%	-0.5%	-7.8%

2024338444

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
MARKET SHARE PERFORMANCE - MAJOR MARKETS
JANUARY 1992

% SHARE

	MARKET	MONTH			YEAR-TO-DATE			TOTAL YEAR		
		Current Year	Prior Year	Change	Current Year	Prior Year	Change	1992 OB	1991	1990
EEC	Germany	36.2	35.2	1.0	36.2	35.2	1.0	36.0	34.6	32.9
	Italy (a)	29.8	30.3	(0.5)	42.5	40.0	2.5	45.0	42.5	40.0
	France	27.6	25.6	2.0	27.6	25.6	2.0	27.7	25.8	24.2
	Spain Mainland	14.3	13.9	0.4	14.3	13.9	0.4	19.6	15.8	12.9
EEMA	Switzerland	43.3	42.0	1.3	43.3	42.0	1.3	44.0	42.9	41.7
	Finland	64.3	63.3	1.0	64.3	63.3	1.0	67.3	64.5	65.5
	Turkey (a) Total Market	11.3	13.4	(2.1)	13.2	17.7	(4.5)	15.9	13.2	17.7
	Import Segment	88.7	83.4	5.3	87.5	86.7	0.8	87.1	87.5	86.7
	Saudi Arabia (a)	46.3	39.6	6.7	44.8	41.0	3.8	45.9	44.8	41.0
ASIA/PACIFIC	Japan* Total Market	11.8	11.6	0.2	11.8	11.6	0.2	12.1	11.3	10.7
	Int'l Segment	63.7	64.8	(1.1)	63.7	64.8	(1.1)	64.5	64.0	64.2
	Australia	42.7	47.5	(4.8)	42.7	47.5	(4.8)	37.3	36.5	36.1
	Taiwan (a) Total Market	7.6	7.0	0.6	6.4	8.4	(2.0)	5.8	6.4	8.4
	Import Segment	39.3	55.1	(15.8)	45.0	60.2	(15.2)	45.6	45.0	60.2
	Hong Kong ** (c)	44.4	40.1	4.3	42.9	39.2	3.7	44.8	42.9	39.0
	Korea Total Market	2.3	1.7	0.6	2.3	1.7	0.6	2.8	2.0	1.5
	Import Segment	40.4	38.3	2.1	40.4	38.3	2.1	46.3	37.9	33.3
	Philippines (b)	18.1	17.0	1.1	17.3	18.6	(1.3)	17.1	17.3	18.3
LATIN AMERICA	Argentina	51.1	45.9	5.2	51.1	45.9	5.2	48.5	47.5	44.1
	Brazil	13.6	12.1	1.5	13.6	12.1	1.5	13.7	13.8	15.0
	Mexico	29.6	28.2	1.4	29.6	28.2	1.4	32.3	28.7	26.8
	Venezuela	23.4	22.0	1.4	23.4	22.0	1.4	25.0	23.1	24.3

(a) December 1991 (b) November 1991 (c) October 1991

*Includes Okinawa **Excludes Macau

2024338445

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
VOLUME/MARKET SHARE VARIANCES - MAJOR MARKETS
JANUARY 1992

Market	Volume (a) Actual YTD	% Change vs. Budget	% Change vs. 1991	Market Share (b) Actual YTD	Change vs. Total Year 1991	Explanation
Germany	5,771.4	(10.4)	(8.8)	36.2	1.6	Lower volume as a result of the fourth quarter 1991 price increase and vending pack stick reduction. Share achieved a market high due to lower competitive volumes following their inventory build-up in preceding months.
Italy	4,121.4	(2.0)	(0.3)	42.5 (1)	2.5	Versus budget, volume shortfall due to Merit, Multifilter and Chesterfield. Share increase due to Chesterfield, Marlboro, Merit and Philip Morris families.
France	3,125.3	2.9	2.4	27.6	1.8	Higher Marlboro share and continued growth of Philip Morris and Chesterfield families.
Spain Mainland	1,138.0	2.9	14.7	14.3	(1.5)	Volume growth resulting from higher roll-over volume into 1992. Share adversely affected by December tradeloading prior to the January 1 price increase.
Switzerland	774.2	3.5	2.8	43.3	0.4	Growth due to Marlboro and Philip Morris family.
Finland	352.6	(3.7)	(21.3)	64.3	(0.2)	Volume affected by performance of Belmont and the Marlboro family. Share decline due to Rettig's price value brand, Downtown.
Turkey-Total Mkt.	1,053.3	(19.8)	(43.0)	13.2 (1)	(4.5)	Volume and share affected by consumer downtrading to the local brand Tekel 2000 due to its retail price gap to Marlboro and a significant increase in the availability of duty free products in the domestic market. Within the import segment, PM increased its share.
Import				87.5 (1)	0.8	
Saudi Arabia	898.6	12.2	55.2	44.8 (1)	3.8	Volume and share up due to the good performance of the Marlboro and L&M families.
Japan-Total Mkt.	2,930.9	(3.7)	(22.8)	11.8	0.5	Volume affected by timing of shipments. Share of international segment affected by the growth of Kent and a decline in Lark's share.
International				63.7	(0.3)	

(a) Shipment Basis (b) Based on In-Market Sales
(1) December 1991 Shares versus Total Year 1990

2024338446

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
VOLUME/MARKET SHARE VARIANCES - MAJOR MARKETS
JANUARY 1992

Market	Volume (a) Actual YTD	% Change vs. Budget	% Change vs. 1991	Market Share (b) Actual YTD	Change vs. Total Year 1991	Explanation
Australia	1,409.1	(11.9)	(9.5)	42.7	6.2	Lower volume attributable to reduced tradeloading prior to a lower than projected CPI excise tax increase. January share historically high for P.M. due to several more selling days than the competition.
Taiwan-Total Mkt.	382.6	54.3	89.4	6.4 (1)	(2.0)	Volume up due to tradeloading prior to the Chinese New Year.
Import				45.0 (1)	(15.2)	Share adversely affected by State Express 555 and Mild Seven.
Hong Kong	803.1	(1.1)	3.9	42.9 (3)	3.9	Share increase due to the growth of Marlboro Red Box.
Korea-Total Mkt.	281.8	36.8	79.9	2.3	0.3	Volume and share reflect the continued growth of Marlboro Red and
Import				40.4	2.5	Virginia Slims. Volume increase is also due to tradeloading prior to Lunar New Year.
Philippines	1,075.6	14.2	5.2	17.3 (2)	(1.0)	Volume recovery following the maintenance of a stable retail price differential.
Argentina	1,623.1	9.3	21.9	51.1	3.6	Improved performance due to relative economic stability and the reduced price gap between Marlboro and Derby/Jockey Club.
Brazil Domestic	1,717.0	3.1	(2.9)	13.6	(0.2)	Versus 1991, volume affected by the poor economy, increased unemployment and price increases which have been above inflation.
Mexico	1,235.0	10.2	4.5	29.6	0.9	Volume and share reflect the continued growth of Marlboro.
Venezuela	441.5	16.5	26.6	23.4	0.3	Volume up due to tradeloading prior to February 3 price increase.

(a) Shipment Basis (b) Based on In-Market Sales.
(1) December 1991 Shares versus Total Year 1990 (2) November 1991 Shares versus Total Year 1990
(3) October 1991 Shares versus Total Year 1990

2024338447

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
MAJOR NEW BRAND LAUNCHES - IN-MARKET PERFORMANCE
JANUARY 1992

Market	Brand Launch	Launch Date	Current Market Share	Cumulative Volume Since Launch (no.months)	CPC Target Total	% Target	Comment on Current Performance
Germany	F6 100	June 91	0.02	78.4 (8 mos.)	N.A.	N.A.	There is a strong interest in former East Germany for 100 mm products due to their prestige connotations. The large F6 franchise will be extended by this 100 mm line extension and provide incremental volume for the brand family.
Italy (a)	Chesterfield Lts.KS Box	Feb. 91	0.15	126.3 (12 mos.)	281.0 (23 mos.)	44.9	To participate in the growing demand for LTN products in general and slow down growth of Camel Lights/Extra Lights.
	Merit Ult. Lts. 100 Box	Oct. 91	0.04	25.8 (4 mos.)	100.0 (15 mos.)	25.8	To participate and benefit from the trend towards ultra lights cigarettes, particularly the 100mm. To capitalize on the current growth of Merit Ultra Lights KS.
	Philip Morris Lts. Extra KS Box	Oct. 91	0.13	50.9 (4 mos.)	205.0 (15 mos.)	24.8	To ensure that Philip Morris Lights Extra KS Box will be the lowest tar and nicotine brand on Italy's first official tar/nicotine table, as well as counter the launch of Barclay KS.
France	Chesterfield Lts.KS Box	May 91	0.17	95.6 (9 mos.)	80.0 (20 mos.)	119.5	To participate in the growing demand for blond LTN products in general and compete against and slow down the growth of its direct competitors, Camel and Lucky Strike.
Finland	Bond Extra Mild	Nov. 91	0.09	9.6 (3 mos)	48.0 (14 mos)	20.0	The brand was launched to compete directly against Downtown in the low price segment.
Australia	Peter Jackson 30's Ult.	Apr. 91	1.55	387.9 (10 mos.)	741.0 (21 mos)	52.3	The first mainstream franchise in the Australian market to be released in the new 2mg segment. Launched to generate additional volumes for the brand to assist in offsetting recent declines due to pressure from the super-value segment and to capture share from existing 4mg products.
	Alpine 25's Ultimate	June 91	0.87	138.1 (8 mos.)	544.0 (24 mos.)	25.4	The first mainstream menthol franchise in the new 2mg segment.
	Longbeach Ult. 40's	Aug. 91	1.41	166.7 (6 mos.)	750.0 (15 mos.)	22.2	Launched nationally to take advantage of the growing 2mg segment and to compete against competitor 2mg product launches in the super-value segment.

(a) December 1991 Shares

2024338448

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
MAJOR NEW BRAND LAUNCHES - IN-MARKET PERFORMANCE
JANUARY 1992

Market	Brand Launch	Launch Date	Current Market Share	Cumulative Volume Since Launch (no.months)	CPC Target Total	% Target	Comment on Current Performance
Australia	Longbeach Filter 25's	Nov. 91	0.06	6.4 (3 mos.)	456.0 (24 mos.)	1.4	The brand is scheduled to complete a national launch in February.
Mexico	Marlboro 100's SP	Apr. 91	0.20	166.1 (10 mos.)	630.0 (21 mos.)	26.4	The brand was launched April 8th to strengthen the family franchise.
Venezuela	Astor Lights	Apr. 91	1.50	171.7 (10 mos.)	849.1 (21 mos.)	20.2	The brand was launched March 29th to strengthen the family franchise.

2024338449

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

2024338450

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PRICING/MARGINS

2024338451

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
PRICING CHANGES - MAJOR MARKETS
JANUARY 1992

MARKET	BRAND	MONTH/YEAR	EX-FACTORY PER 000 ACTUAL	EX-FACTORY PER 000 1992 O.B.	RETAIL PRICE/PACK ACTUAL	RETAIL PRICE/PACK 1992 O.B.	NOTES
ITALY	Marlboro	November 91	ITL 36,614		ITL 3,550		Effective February 15, 1992, retail prices increased by 100 lira per pack and excise taxes were reduced by 1 p.p. (from 56.28% to 55.28%). These gains were partially offset by a 1 p.p. increase in the trade margin (from 8.5% to 9.5%).
		February 92	ITL 37,450	ITL 37,186	ITL 3,650	ITL 3,600	
SPAIN MAINLAND	Marlboro	January 91	ESP 2,590		ESP 184		Price increase implemented January 1, 1992.
		January 92	ESP 2,757	ESP 2,744	ESP 220	ESP 200	
SAUDI ARABIA	Marlboro	March 91	USD 27.20		SAR 4.00		In February 1992, the carton price increased by SAR 2 per carton. Retail pack prices remained unchanged.
		January 92	USD 28.70	USD 27.20	SAR 4.00	SAR 4.00	
INDONESIA	Marlboro	October 1991	--		RPH 1250		Retail prices were increased as a result of an excise tax increase (from 27.5% to 35%).
		January 1992	--	--	RPH 1300	RPH 1250	
MEXICO	All Brands	October 91	16.0% increase		16.0% increase		A January excise tax reduction resulted in an effective 1.6% price increase.
		January 92	1.6% increase	--	--	--	
BRAZIL	All Brands	December 91	59.3% increase		59.3% increase		Price increase implemented January 20 is in line with January's expected inflation.
		January 92	23.9% increase	18.0% increase	23.9% increase	18.0% increase	
ARGENTINA	All Brands	March 91	42.4% increase		42.4% increase		The expiry of a tax surcharge in January and an excise tax reduction in February resulted in an effective 17.7% cumulative price increase.
		January 92	11.5% increase	11.5% increase	--	--	
		February 92	5.6% increase	--	--	--	
		February YTD	17.7% increase	11.5% increase	--	--	

2024338452

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
FORECASTED PRICE INCREASES NOT YET IMPLEMENTED - MAJOR MARKETS
JANUARY 1992

MARKET	EFFECT ON TOTAL YEAR CONTRIBUTION (US $000)	MONTH/YEAR	BRAND	EX. FACTORY PER 000 FROM	EX. FACTORY PER 000 TO	RETAIL PRICE/PACK FROM	RETAIL PRICE/PACK TO	NOTES
- NONE -								

2024338453

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
MARGINAL CONTRIBUTION - MAJOR MARKETS
JANUARY YTD 1992

(per 000 cigarettes)

MARKET		Marginal Contribution	Marginal Contribution Per Budget	Variance vs. Budget Fav/(Unfav)	EXPLANATION for VARIANCE
EEC	Germany	$ 16.79	$ 15.50	$ 1.29	Currency translation.
	Italy - Domestic	17.62	16.86	0.76	Currency translation.
	- Licensee	1.52	2.41	(0.89)	Brand mix and timing of leaf shipments.
	France	10.67	9.95	0.72	Currency translation.
	Duty Free	18.52	18.98	(0.46)	Market mix.
	Spain Mainland	14.58	13.95	0.63	Currency translation.
EEMA	Switzerland	23.47	21.86	1.61	Currency translation.
	Finland	12.13	12.22	(0.09)	
	Turkey	14.61	13.17	1.44	Lower costs.
	Saudi Arabia	15.67	16.34	(0.67)	Brand mix.
	Yugoslavia	7.76	8.47	(0.71)	Timing of leaf shipments and domestic vs. duty free mix.
	Poland	7.31	4.84	2.47	Export vs. licensee mix.
ASIA/PACIFIC	Japan	21.04	19.70	1.34	Favorable costs
	Australia	14.34	12.90	1.44	Currency translation and brand mix (lower Longbeach 40's).
	Taiwan	16.86	14.37	2.49	Brand mix (higher Parliament and Marlboro; lower L&M).
	Hong Kong	29.81	30.13	(0.32)	
	Korea	17.08	16.36	0.72	Brand mix (higher Virginia Slims) and lower costs.
	PRC - Domestic	5.98	5.18	0.80	Lower costs
	- Duty Free	16.03	15.55	0.48	Lower costs
	Philippines	1.07	0.91	0.16	Timing of leaf shipments.
	Duty Free	15.58	15.70	(0.12)	
LATIN	Argentina (Domestic)	8.14	7.85	0.29	Favorable mix.
	Brazil (Domestic)	4.07	3.25	0.82	Favorable pricing.
	Duty Free	12.33	11.47	0.86	Market mix.
	Venezuela	7.09	7.24	(0.15)	
USA	Duty Free Sales	25.94	24.91	1.03	Favorable pricing.

2024338454

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

INCOME

2024338455

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

INCOME

2024338456

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
COMPARATIVE STATEMENT OF OPERATIONS
JANUARY 1992

(U.S. $000 OMITTED)

	ACTUAL 1992	ACTUAL 1991	VARIANCE VS. BUDGET FAV/(UNFAV)	Percent Fav/(Unf) vs. 1991
Net Sales	$1,487,069	$1,558,843	$117,936	(2.8) %
Royalties & Other Operating Revenues	17,676	12,776	802	38.4
TOTAL OPERATING REVENUES	1,504,745	1,571,619	118,738	(2.4)
Variable Cost of Sales	317,212	337,327	(105,253)	(0.5)
Foreign Excise Tax	661,083	729,782	(2,664)	9.4
Shipping Expense	13,869	21,125	(811)	(0.3)
LIFO Adjustment	4,220	5,311	490	20.5
MARGINAL CONTRIBUTION	508,361	478,074	10,500	6.3
Fixed Manufacturing Expense	71,869	64,314	(17,873)	(11.7)
AVAILABLE PROFIT	436,492	413,760	(7,373)	5.5
Marketing	128,244	125,479	(797)	(2.2)
General and Administrative	28,160	24,374	1,289	(15.5)
Research and Development	8,033	6,536	69	(22.9)
Currency Translation and Hedging Costs, Net	(1,754)	2,982	1,754	100.0+
Other Deductions/(Income), Net	3,790	8,238	(686)	54.0
TOTAL EXPENSES	166,473	167,609	1,629	0.7
Income from Unconsolidated Companies	11,921	1,513	6,591	100.0+
INCOME FROM OPERATIONS BEFORE INTEREST, AMORTIZATION AND ASSESSMENTS	281,940	247,664	847	13.8
Interest Expense/(Income), Net	(1,039)	(968)	1,445	7.3
Amortization of Intangible Assets	420	464	(35)	9.5
Corporate Assessments, General and Administrative	3,600	3,900	25	7.7
Corporate Assessments, Interest	291	398	167	26.9
EARNINGS BEFORE INCOME TAXES	278,668	243,870	2,449	14.3
Provision for Income Taxes	97,292	84,101	(1,020)	(15.7)
NET EARNINGS	$181,376	$159,769	$1,429	13.5 %

2024338457

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
REGIONAL SUMMARY OF INCOME FROM OPERATIONS
JANUARY 1992

(U.S. $000 OMITTED)

	ACTUAL 1992	ACTUAL 1991	VARIANCE VS BUDGET FAV/(UNFAV)	Percent Inc./(Dec.) vs 1991
European Economic Community (EEC)	$ 176,159	$ 152,175	$ 10,683	15.8 %
EFTA, Eastern Europe, Middle East & Africa (EEMA)	45,640	65,132	211	(29.9)
Asia/Pacific	75,555	96,418	5,552	(21.6)
Latin America	15,792	6,112	6,822	100.0+
Duty Free Sales (U.S.A.)	2,762	2,240	646	23.3
Canada	8,562	6,765	2,365	26.6
Inter-Regional Adjustments	(25,996)	(67,760)	(25,586)	
Corporate and PMUSA Assessments	(11,578)	(9,652)	130	
Headquarters Expenses	(4,956)	(3,766)	24	
CONSOLIDATED INCOME FROM OPERATIONS	$ 281,940	$ 247,664	$ 847	13.8 %

2024338458

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
REGIONAL SUMMARY OF NET INCOME
JANUARY 1992

(U.S. $000 OMITTED)

	ACTUAL 1992	ACTUAL 1991	VARIANCE VS BUDGET FAV/(UNFAV)	Percent Inc./(Dec.) vs 1991
European Economic Community (EEC)	$ 123,289	$ 109,197	$ 6,953	12.9 %
EFTA, Eastern Europe, Middle East & Africa (EEMA)	30,846	43,274	926	(28.7)
Asia/Pacific	49,345	62,032	4,030	(20.5)
Latin America	13,186	4,861	6,176	100.0+
Duty Free Sales (U.S.A.)	1,756	1,425	401	23.2
Canada	8,361	6,757	2,349	23.7
Inter-Regional Adjustments	(29,158)	(53,387)	(19,519)	
Corporate and PMUSA Assessments	(13,076)	(11,978)	99	
Headquarters Expenses	(3,173)	(2,412)	14	
CONSOLIDATED NET INCOME	$ 181,376	$ 159,769	$ 1,429	13.5 %
Effective Tax Rate	34.9 %	34.5 %	0.0 %	

2024338459

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
ANALYSIS OF INCOME FROM OPERATIONS - VARIANCE VS. BUDGET
JANUARY YTD 1992

(US $ millions)

	Actual	% of PMI Total	Variance vs. Budget Fav/(Unfav)	Variance Due To: Currency	Volume/ Mix	Price/ Excise	Direct Marketing	Indirect Marketing	Inflation/ Other
EEC									
Germany	$ 65.2	23.1 %	$ (2.2)	$ 5.4	$ (10.8)	$ 0.0	$ 0.0	$ (0.1)	$ 3.3
Italy	39.4	14.0	0.0	2.6	(2.1)	(1.1)	0.0	(0.1)	0.7
France	19.5	6.9	2.9	1.7	0.7	0.0	0.0	0.0	0.5
Duty Free	6.5	2.3	(0.3)	0.1	(0.2)	0.0	0.0	0.0	(0.2)
Spain Mainland	3.5	1.2	2.0	0.0	1.4	0.0	0.0	0.0	0.6
Other	42.1	14.8	8.3	9.1	(2.0)	(0.3)	0.0	0.1	1.4
TOTAL EEC	176.2	62.5	10.7	18.9	(13.0)	(1.4)	0.0	(0.1)	6.3
EEMA									
Switzerland	10.1	3.6	1.6	1.0	0.4	0.0	0.0	0.0	0.2
Finland	3.3	1.2	(0.2)	(0.1)	0.2	(0.2)	0.0	0.0	(0.1)
Turkey	10.2	3.6	(0.7)	0.6	(1.9)	0.0	0.0	0.0	0.6
Saudi Arabia	10.3	3.7	0.7	0.0	0.4	0.0	0.0	0.0	0.3
Yugoslavia (incl licensee)	0.5	0.2	(1.2)	0.1	(1.3)	0.0	0.0	0.0	0.0
Poland (incl licensee)	1.4	0.5	0.7	(0.1)	0.7	(0.1)	0.0	0.0	0.2
C.I.S.	(0.5)	(0.2)	(1.7)	0.4	(1.7)	0.0	0.0	0.0	(0.4)
Other	10.3	3.7	1.0	1.0	(4.9)	(1.5)	0.0	0.0	6.4
TOTAL EEMA	45.6	16.3	0.2	2.9	(8.1)	(1.8)	0.0	0.0	7.2
ASIA/PACIFIC									
Japan (incl licensee)	24.7	8.8	2.8	4.2	(2.9)	(0.6)	0.0	0.0	2.1
Australia	10.8	3.8	(0.6)	0.8	(2.7)	0.3	0.0	0.0	1.0
Taiwan	4.4	1.6	2.9	1.2	1.9	0.0	0.0	0.0	(0.2)
Hong Kong	19.5	6.9	(0.6)	0.0	(0.4)	(0.6)	0.0	0.0	0.4
PRC	2.9	1.0	2.7	0.0	1.9	0.1	0.0	0.6	0.1
Korea	0.5	0.2	1.0	(0.5)	1.1	0.2	0.0	0.0	0.2
Philippines	0.9	0.3	0.3	0.0	0.3	0.0	0.0	0.0	0.0
Duty Free	8.3	2.9	(3.1)	0.0	(3.2)	(0.4)	0.0	0.1	0.4
Other	3.6	1.3	0.2	0.6	3.2	(0.1)	0.0	(0.0)	(3.5)
TOTAL ASIA/PACIFIC	75.6	26.8	5.6	6.3	(0.8)	(1.1)	0.0	0.7	0.5

2024338460

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
ANALYSIS OF INCOME FROM OPERATIONS - VARIANCE VS. BUDGET
JANUARY YTD 1992

(US $ millions)

	Actual	% of PMI Total	Variance vs. Budget Fav/(Unfav)	Variance Due To: Currency	Volume/ Mix	Price/ Excise	Direct Marketing	Indirect Marketing	Inflation/ Other
LATIN AMERICA									
Tobacco									
Export Income	$ 6.2	2.2 %	$ 1.9	$ 0.0	$ 2.4	$ 0.0	$ 0.0	$ (0.1)	$ (0.4)
Royalty & Dividend Income	6.5	2.3	3.4	0.0	0.0	0.0	0.0	0.0	3.4
Brazil	2.8	1.0	1.6	0.0	0.1	1.6	0.0	(0.3)	0.2
Puerto Rico	0.2	0.1	0.4	0.0	0.4	0.0	0.0	0.0	0.0
Other	(0.8)	(0.3)	(0.2)	0.0	0.0	0.0	0.0	0.0	(0.2)
	14.9	5.3	7.1	0.0	2.9	1.6	0.0	(0.4)	3.0
Food									
Export Income	0.5	0.2	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Royalty & Dividend Income	0.1	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	(0.1)
Puerto Rico	0.3	0.1	(0.3)	0.0	(0.6)	0.0	0.0	0.0	0.3
	0.9	0.3	(0.3)	0.0	(0.5)	0.0	0.0	0.0	0.2
TOTAL LATIN AMERICA	15.8	5.6	6.8	0.0	2.4	1.6	0.0	(0.4)	3.2
DUTY FREE SALES (USA)	2.8	1.0	0.6	0.0	0.5	0.1	0.0	0.0	0.0
Sub-total	316.0	112.2	23.9	28.1	(19.0)	(2.6)	0.0	0.2	17.2
Corporate and PM USA Assessments	(11.6)	(4.1)	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Headquarters Expenses	(5.0)	(1.8)	0.0	(1.2)	0.0	0.0	0.0	0.0	1.2
Other Income/(Deductions), Net and Consolidating Adjustments	(17.5)	(6.3)	(23.2)	(12.8)	(0.1)	(1.6)	0.0	0.3	(9.0)
Income From Operations	$ 281.9	100.0 %	$ 0.8	$ 14.9	$ (21.8)	$ (3.9)	$ 0.0	$ 0.5	$ 11.1

2024338461

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
ANALYSIS OF INCOME FROM OPERATIONS - VARIANCE VS. PRIOR YEAR
JANUARY YTD 1992

(US $millions)

	Actual	% of PMI Total	Variance vs. 1991 Fav/(Unfav)	Variance Due To: Currency	Volume/ Mix	Price/ Excise	Direct Marketing	Indirect Marketing	Inflation/ Other
EEC									
Germany	$ 62.5	22.2 %	$ (3.4)	$ (3.7)	$ (8.7)	$ 13.5	$ (1.4)	$ (1.0)	$ (2.1)
Italy	39.4	14.0	2.4	(2.3)	(0.1)	5.0	(0.3)	(0.3)	0.4
France	19.5	6.9	3.6	(1.0)	0.8	3.7	0.0	(0.3)	0.4
Duty Free	6.5	2.3	(18.4)	0.2	(22.3)	1.2	(0.1)	(0.2)	2.8
Spain Mainland	3.5	1.2	2.2	0.2	1.9	0.3	(0.1)	(0.2)	0.1
Other	44.8	15.9	37.6	8.2	(1.3)	1.8	(1.5)	(0.8)	31.2
TOTAL EEC	176.2	62.5	24.0	1.6	(29.7)	25.5	(3.4)	(2.8)	32.8
EEMA									
Switzerland	10.1	3.6	(3.9)	(1.3)	0.6	0.0	0.0	(0.2)	(3.0)
Finland	3.3	1.2	(1.4)	(0.4)	(0.4)	(0.5)	0.0	0.0	(0.1)
Turkey	10.2	3.6	(7.3)	0.0	(7.9)	1.1	0.3	(0.5)	(0.3)
Saudi Arabia	10.3	3.7	4.4	0.1	2.9	2.3	(0.3)	(0.1)	(0.5)
Yugoslavia (incl licensee)	0.5	0.2	(3.8)	0.0	(4.0)	0.1	(0.1)	0.2	0.0
Poland (incl licensee)	1.4	0.5	(2.4)	0.1	(2.2)	(0.1)	(0.1)	(0.2)	0.1
C.I.S.	(0.5)	(0.2)	(4.9)	0.2	(5.3)	0.0	(0.2)	(0.4)	0.8
Other	10.3	3.7	(0.2)	(0.1)	(1.0)	1.3	0.2	0.8	(1.4)
TOTAL EEMA	45.6	16.3	(19.5)	(1.4)	(17.3)	4.2	(0.2)	(0.4)	(4.4)
ASIA/PACIFIC									
Japan (incl licensee)	24.7	8.8	(11.5)	1.7	(13.4)	0.8	(0.3)	0.0	(0.3)
Australia	10.8	3.8	2.5	0.3	(2.2)	2.8	0.0	(0.4)	2.0
Taiwan	4.4	1.6	3.5	1.0	2.6	0.0	0.1	(0.1)	(0.1)
Hong Kong	19.5	6.9	1.5	0.1	0.7	1.0	(0.2)	(0.1)	0.0
PRC	2.9	1.0	2.1	0.0	2.2	0.2	(0.7)	0.6	(0.2)
Korea	0.5	0.2	1.0	(0.6)	1.8	0.0	(0.6)	0.2	0.2
Philippines	0.9	0.3	0.1	0.0	0.9	0.0	0.0	0.0	(0.8)
Duty Free	8.3	2.9	(16.5)	0.0	(16.5)	0.0	(0.1)	0.1	0.0
Other	3.6	1.3	(3.6)	0.4	2.4	1.3	(1.0)	(0.2)	(6.5)
TOTAL ASIA/PACIFIC	75.6	26.8	(20.9)	2.9	(21.5)	6.1	(2.8)	0.1	(5.7)

2024338462

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
ANALYSIS OF INCOME FROM OPERATIONS - VARIANCE VS. PRIOR YEAR
JANUARY YTD 1992

(US $ millions)

	Actual	% of PMI Total	Variance vs. 1991 Fav/(Unfav)	Variance Due To: Currency	Volume/ Mix	Price/ Excise	Direct Marketing	Indirect Marketing	Inflation/ Other
LATIN AMERICA									
TOBACCO									
Export Income	$ 6.2	2.2 %	$ 2.7	$ 0.0	$ 3.0	$ 1.0	$ (0.4)	$ 0.0	$ (0.9)
Royalty & Dividend Income	6.5	2.3	3.8	0.0	0.0	0.0	0.0	0.0	3.8
Brazil	2.8	1.0	4.8	0.0	0.1	4.9	(0.4)	0.7	(0.5)
Puerto Rico	0.2	0.1	0.6	0.0	0.4	0.3	0.0	0.0	(0.1)
Other	(0.8)	(0.3)	(2.6)	0.0	0.0	0.0	0.0	0.0	(2.6)
Sub-total	14.9	5.3	9.3	0.0	3.5	6.2	(0.8)	0.7	(0.3)
FOOD									
Export Income	0.5	0.2	0.1	0.0	0.2	(0.1)	0.0	0.0	0.0
Royalty & Dividend Income	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Puerto Rico	0.3	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.3
Sub-total	0.9	0.3	0.4	0.0	0.2	(0.1)	0.0	0.0	0.3
TOTAL LATIN AMERICA	15.8	5.6	9.7	0.0	3.7	6.1	(0.8)	0.7	0.0
DUTY FREE SALES (USA)	2.8	1.0	0.5	0.0	0.5	0.2	0.0	0.0	(0.2)
Sub-total	316.0	112.2	(6.2)	3.1	(64.3)	42.1	(7.2)	(2.4)	22.5
Corporate and PM USA Assessments	(11.6)	(4.1)	(1.9)	0.0	0.0	0.0	0.0	0.0	(1.9)
Headquarters Expenses	(5.0)	(1.8)	(1.2)	1.6	0.0	0.0	0.0	0.0	(2.8)
Other Income/(Deductions), Net and Consolidating Adjustments	(17.5)	(6.2)	43.6	2.5	(0.1)	(4.9)	(0.2)	(0.7)	47.0
Income From Operations	$ 281.9	100.0 %	$ 34.3	$ 7.2	$ (64.4)	$ 37.2	$ (7.4)	$ (3.1)	$ 64.8

2024338463

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
INCOME FROM UNCONSOLIDATED COMPANIES
JANUARY 1992

(U.S. $000 OMITTED)

Month				Year-to-Date			
Received	Variance vs. Budget Fav/(Unfav)	Variance vs. 1991 Fav/(Unfav)	Affiliate	Received	Variance vs. Budget Fav/(Unfav)	Variance vs. 1991 Fav/(Unfav)	Budget Total Year
			Dividend Income				
$0	$0	$0	PM Espana (Spain)	$0	$0	$0	$27,963
0	0	0	Rothmans Partnership (UK)	0	0	0	7,967
0	0	0	Godfrey Phillips (India)	0	0	0	235
103	103	(17)	Ceylon Tobacco (Sri Lanka)	103	103	(17)	345
0	0	0	Tabacalera (Costa Rica)	0	0	0	1,475
3,779	3,779	3,779	ELJ (Dominican Republic)	3,779	3,779	3,779	3,883
0	0	0	Ecuador Combined	0	0	0	3,873
35	35	35	Tasasa (El Salvador)	35	35	35	0
0	0	0	Cigatam (Mexico)	0	0	0	5,894
0	0	0	Abal Hermanos (Uruguay)	0	0	0	985
0	0	(1,393)	Catana (Venezuela)	0	0	(1,393)	2,432
0	0	0	Suchard (Argentina)	0	0	0	5,500
0	0	0	Kibon (Brazil)	0	0	0	13,900
0	0	0	General Foods (Colombia)	0	0	0	69
8,004	2,320	8,004	Rothmans, Benson & Hedges (Canada)	8,004	2,320	8,004	22,737
11,921	6,237	10,408		11,921	6,237	10,408	97,258
			Equity Participation				
0	354	0	Egri (Hungary)	0	354	0	(1,346)
$11,921	$6,591	$10,408	TOTAL PMI	$11,921	$6,591	$10,408	$95,912

2024338464

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
ROYALTY INCOME *
JANUARY 1992

(U.S. $000 OMITTED)

Month				Year-to-Date			
Received	Variance vs. Budget Fav/(Unfav)	Variance vs. 1991 Fav/(Unfav)	Market/Affiliate	Received	Variance vs. Budget Fav/(Unfav)	Variance vs. 1991 Fav/(Unfav)	Budget Total Year
$455	($16)	($218)	Italy - Monital**	$455	($16)	($218)	$5,160
0	0	0	Marlboro Leisurewear - Europe	0	0	0	2,300
389	(144)	(184)	Rothmans (UK) Partnership	389	(144)	(184)	6,332
0	0	0	Spain - TSA	0	0	0	4,600
1,044	392	524	Andorra	1,044	392	524	9,016
0	0	0	Finland - Profit Sharing	0	0	0	34,798
437	(288)	161	Finland - Royalty**	437	(288)	161	9,558
0	0	(562)	Yugoslavia	0	0	(562)	1,742
0	0	0	Hungary	0	0	0	2,412
0	0	(323)	Poland	0	0	(323)	8,145
0	0	0	Russia	0	0	0	6,500
1,064	168	431	Austria**	1,064	168	431	7,367
613	613	51	Egypt	613	613	51	2,699
0	0	(235)	Algeria	0	0	(235)	0
0	0	(190)	Senegal	0	0	(190)	632
0	0	(273)	Ivory Coast	0	0	(273)	1,259
2,996	258	1,857	Japan**	2,996	258	1,857	43,088
303	303	(52)	Philippines	303	303	(52)	0
118	(402)	(109)	Indonesia	118	(402)	(109)	6,636
2,010	254	883	Massalin Particulares (Argentina)	2,010	254	883	3,572
509	12	509	Cigatam (Mexico)	509	12	509	2,284
0	(211)	0	ELJ (Dominican Republic)	0	(211)	0	752
0	(103)	0	Catana (Venezuela)	0	(103)	0	4,210
(20)	(20)	(15)	Tabacalera Costarricense (Costa Rica)	(20)	(20)	(15)	3,503
65	65	65	Tanasa, Proesa (Ecuador)	65	65	65	1,591
558	45	518	Rothmans, Benson & Hedges (Canada)	558	45	518	2,054
53	(357)	(51)	Other	53	(357)	(51)	1,352
$10,594	$569	$2,787		$10,594	$569	$2,787	$171,562

* Represents PM Products Inc. trademarks only.
** Royalty income is recorded on the accrual basis.

2024338465

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

FINANCIAL POSITION

2024338466

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

FINANCIAL POSITION

2024338467

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL

BALANCE SHEET HIGHLIGHTS

JANUARY 1992

(US $MILLIONS)

Account	Increase/(Decrease) vs. December 31, 1991	Due Primarily to:
Accounts receivable, trade	$125.4	Timing of collections at PM KK (Japan) and higher U.S. export shipments.
Accounts receivable, affiliates	(279.5)	Repayment of cash mobilization loans and partial repayment of loans and interest by KGF subsidiaries to major European affiliates.
Leaf tobacco	48.9	Higher leaf purchases at FTR (Switzerland) and PM Germany.
Finished product	(103.5)	Higher domestic sales at PM Holland and FTR (Switzerland) and higher U.S. export sales.
Accounts payable	(480.4)	Timing of payments at major European affiliates and PM KK (Japan).
Excise tax liabilities	190.2	Timing of payments at major European affiliates.

2024338468

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
CONSOLIDATED BALANCE SHEET
AS AT JANUARY 31, 1992

(U.S. $000's OMITTED)

ASSETS	ACTUAL	Inc/(Dec) From: December 31, 1991
Cash and Cash Equivalents	$ 98,239	$ 45,032
Accounts Receivable, Trade	850,022	125,395
Less, Allowances	14,253	67
Trade Receivables, Net	835,769	125,328
Accounts Receivable, Affiliates	640,476	(279,467)
Accounts Receivable, Other	118,736	17,560
Inventories		
Leaf Tobacco	1,119,353	48,874
Finished Product	759,075	(103,544)
Other	173,606	30,229
LIFO Adjustment	(50,074)	(919)
Total Inventories	2,001,960	(25,360)
Prepaid Expenses	23,439	743
CURRENT ASSETS	3,718,619	(116,164)
Investments in and Loans to Unconsolidated Subsidiaries and Affiliates	110,520	1,898
Long-Term Receivables	1,430	(8)
Property, Plant & Equipment, at Cost	1,639,934	13,041
Less, Accumulated Depreciation	781,121	10,537
Property, Plant & Equipment, Net	858,813	2,504
Goodwill and Other Intangible Assets, Less Amortization	75,526	(341)
Other Assets	12,824	232
TOTAL ASSETS	$ 4,777,732	$ (111,879)

LIABILITIES	ACTUAL	Inc/(Dec) From: December 31, 1991
Notes Payable	$ 32,851	$ (1,733)
Current Portion of Long-Term Debt	0	(968)
Accounts Payable	222,144	(480,406)
Accounts Payable, Affiliates	187,827	(7,710)
Accrued Excise Tax Liabilities	593,653	190,245
Accrued Marketing Expenses	150,371	(14,993)
Accrued Other Liabilities	294,815	(81,012)
Income Taxes Payable	611,466	84,805
Dividends Payable - P.M. Companies	300,000	300,000
CURRENT LIABILITIES	2,393,127	(11,772)
Deferred Income Taxes	83,038	7,384
Other Liabilities	127,290	2,635
STOCKHOLDER'S EQUITY		
Common Stock	1,500	
Additional Paid-In Capital	1,068,060	
Beginning Retained Earnings	873,685	
Net Earnings	181,376	
Dividends Declared	(300,000)	
Total Retained Earnings	755,061	(118,624)
Cumulative Translation Adjustment:		
Prior Year	341,158	
Current Year	8,498	
Accumulated Translation Adjustment	349,656	8,498
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$ 4,777,732	$ (111,879)

2024338469

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
CASH FLOW HIGHLIGHTS
JANUARY 1992

(US $ MILLIONS)

	1992	1991	Inc/(Dec)
FREE CASH FLOW:	($221.6)	$238.5	($460.1)

The decrease over 1991 is due to timing of cash outflows (primarily excise tax payments at PM Germany), partially offset by growth in business.

2024338470

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

(US $000 OMITTED)

PHILIP MORRIS INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
JANUARY 1992

	For The One Month Ended January 31,		For The Year Ended December 31,	
	1992	1991	1992 Budget	1991
Operating Cash Flows:				
Net Earnings	$181,376	$160,748	$1,327,491	$1,103,914
Depreciation and Amortization	8,724	8,849	114,930	109,611
Increase/(Decrease) in Deferred Income Tax Liabilities	5,217	(105)	12,461	15,588
Gain on Sale of Oscar Mayer (Venezuela)	—	—	—	(11,429)
Total Non-Cash Items	13,941	8,744	127,391	113,770
Interest Expense, net of tax	192	(639)	32,720	8,107
Corporate Assessment, net of tax	2,376	2,837	32,340	32,225
(Increase)/Decrease in Receivables, Net	(132,448)	(73,931)	(126,588)	(48,960)
Decrease/(Increase) in Inventories	37,572	21,534	29,041	(290,474)
(Increase)/Decrease in Other Current Assets	(378)	(35,483)	(323)	(9,288)
(Decrease)/Increase in Accounts Payable	(486,358)	(104,581)	74,096	420,307
Increase/(Decrease) in Accrued Liabilities	87,013	199,262	59,395	(85,211)
Increase/(Decrease) in Income Taxes Payable	83,272	71,803	29,590	102,483
Increase/(Decrease) in Other Long-Term Liabilities	1,778	1,169	18,176	14,873
Other Net Cash Flows from Operating Activities	278	(1,317)	323	(8)
Net Cash (Used)/Provided by Operations	(211,386)	250,146	1,603,652	1,361,738
Investing Cash Flows:				
Capital Expenditures	(8,537)	(11,970)	(239,287)	(203,509)
All Other Investing:				
Investment in Turkey Joint Venture	—	—	(123,300)	(7,505)
Investment in Egri Dohanygyar (Hungary)	(1,910)	—	(10,000)	(33,023)
Investments in Eastern Europe	—	—	(379,314)	—
Disposals, Net of Depreciation	205	346	5,000	4,954
Proceeds from Sale of Oscar Mayer (Venezuela)	—	—	—	8,675
Net Cash (Used)/Provided by Investing Activities	(10,242)	(11,624)	(746,901)	(230,408)
Free Cash Flow	($221,628)	$238,522	$856,751	$1,131,330

2024338471

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
TRADE RECEIVABLE - MAJOR CUSTOMERS
JANUARY 31, 1992

(U.S. $000 OMITTED)

CUSTOMER	MARKET	BALANCE	CURRENT	PAST DUE	AGING OF PAST DUE 1-30 DAYS	AGING OF PAST DUE 31 & OVER
Italian Monopoly	Italy	$186,468	$116,853	$69,615	$65,691 (a)	$3,924
Seita	France	79,480	77,191	2,289	2,076 (b)	213 (c)
TSA	Spain	59,138	36,712	22,426	18,313 (d)	4,113 (e)
Mitsui & Co.	Japan	58,181	58,181	0	0	0
Tekel	Turkey	48,542	34,268	14,274	9,591 (b)	4,683 (b)
Nissho Iwai Corp.	Japan	40,522	40,522	0	0	0
Hong Kong Tobacco Co.	Hong Kong	33,971	33,971	0	0	0
East Asiatic Co.	Singapore/Asia DF	21,278	21,237	41	22	19
Al Rashideen	UAE	15,082	15,082	0	0	0
Regie Co. Inter.	Lebanon	14,905	14,905	0	0	0
V/O Rosvneshtorg	Russian Republic	13,335 (f)	7,621	5,714	1,223	4,491
Distribuidora Gloria	Latin America Exports	11,104	11,104	0	0	0
Mansur Group	Latin America Exports	9,303	9,089	214	214 (b)	0
PT Tresno	Indonesia	9,091	9,088	3	3	0
H. Joerss	Germany	7,110	4,724	2,386	2,386 (g)	0
Mid-Pacific Liquor	Guam	5,739	5,739	0	0	0
Papastratos	Greece	5,564	5,427	137	137	0
Crown Shoji K.K.	Japan	5,211	5,211	0	0	0
Total Highlighted		$624,024	$506,925	$117,099	$99,656	$17,443
Total		$835,769				
Percent Highlighted		75%				

(a) $61.7 million subsequently collected.
(b) Subsequently collected.
(c) $0.1 million subsequently collected.
(d) $16.4 million subsequently collected.
(e) $4.0 million subsequently collected.
(f) Represents PMG insured receivables only.
(g) $1.5 million subsequently collected.

2024338472

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
MAJOR CAPITAL EXPENDITURES-CONSOLIDATED SUBSIDIARIES
JANUARY 1992

(US $000 OMITTED)

PROJECT DESCRIPTION	Amount Appropriated		Cumulative Spending Through 1991	1992 OB (a) Spending	Future Years Spending	Total Cost	Variance vs. Appropriation Increase/ (Decrease) due to: Currency	Other
EEC								
Capacity Increase to 42.5 Bio. (Berlin)	$34,801		$32,388	$1,891	$0	$34,279	$615	($1,137)
Capacity Increase to 44.5 Bio. (Holland)	13,966		14,397	497	0	14,894	928	0
Infrastructure/Capacity Increase to 51 Bio. (Holland)	51,440		37,553	13,439	3,914	54,906	3,466	0
Capacity Expansion to 76 Bio. (Holland)	299,813		36,709	88,492	199,410	324,611	1,179	23,619 (d)
Capacity Increase to 50 Bio. (Berlin)	88,153		41,446	28,994	5,879	76,319	(1,791)	(10,043)
Building Extension (FTR R&D)	0	(c)	0	6,471	11,724	18,195		
Office Facilities (Munich)	0	(c)	0	564	6,311	6,875		
High Speed Secondary Equipment (Holland)	0	(c)	0	0	20,718	20,718		
Greenfield Site	0	(c)	0	0	1,415,000	1,415,000		
Total EEC	488,173		162,493	140,348	1,662,956	1,965,797		
EEMA								
Secondary Capacity Increase (6/89) (FTR)	7,617		8,229	22	0	8,251	883	(249)
Secondary Capacity Increase (9/90) (FTR)	13,204		11,060	1,285	0	12,345	(379)	(480)
New Primary (FTR)	0	(c)	0	1,760	57,817	59,577		
Machinery Replacement-6 MK9 Groups	0	(c)	0	4,577	17,253	21,830		
Total EEMA	20,821		19,289	7,644	75,070	102,003		
ASIA/PACIFIC								
Cut Filler Quality Improvement (Australia)	10,143		9,781	412	0	10,193	23	27
PMI LEASING CORP.								
Brazil Equipment for Russia Exports	6,849		1,031	3,501	1,267	5,799	0	(1,050)
Poland Equipment	24,067	(c)	13,277	12,000	0	25,277	758	452
Yugoslavia Equipment	0	(c)	0	13,000	15,000	28,000		
Slovenia Equipment	0	(c)	0	4,123	4,275	8,398		
Total PMI Leasing Corp.	30,916		14,308	32,624	20,542	67,474 (e)		
TOTAL MAJOR PROJECTS	$550,053		$205,871	$181,028 (b)	$1,758,568	$2,145,467		

(a) This column is updated quarterly.
(b) Major project spending represents approximately 75.6% of total 1992 budgeted spending of US$239.6 million.
(c) Represents planned project.
(d) BOZ project changing to New Expanded Tobacco (NET) concept resulting in additional costs.
(e) Includes $49.5MM of equipment purchases some of which are expected to be contributed to PMI Eastern European ventures.

2024338473

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

OTHER

2024338474

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

OTHER

2024338475

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
KEY FINANCIAL RATIOS
JANUARY 1992

RETURN ON ASSETS

	1992 Budget	Total Year 1991
Total PMI	23.8%	22.1%
Selected Affiliates		
PM Germany		11.0%
PM Holland		47.2%
FTR (Switzerland)		22.4%
PM Australia		15.2%

Return on Assets:

$$\frac{\text{Net Income (a)}}{\text{Average Total Assets (b)}}$$

(a) Excludes, on an after-tax basis, interest income on excess cash balances, interest expense, amortization of intangible assets, and corporate assessments.

(b) Based on total assets over the last twelve months. Includes PM USA asset allocations. Excludes excess cash balances, and intangible assets. Intercompany balances of a non-operating nature are also excluded.

RETURN ON MANAGEMENT INVESTMENT

	1992 Budget	Total Year 1991
Total PMI	51.5%	48.3%
Selected Affiliates		
PM Germany		46.6%
PM Holland		68.5%
FTR (Switzerland)		43.4%
PM Australia		33.5%

Return on Management Investment:

$$\frac{\text{Income From Operations}}{\text{Average Management Investment (c)}}$$

(c) Based on management investment over the last twelve months. Defined as total assets (including PM USA allocations and excluding cash and cash equivalents and intangible assets) less current liabilities (excluding interest bearing debt and income tax liabilities). Intercompany balances of a non-operating nature are also excluded.

2024338476

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL
KEY EXCHANGE RATES
JANUARY 1992

Income Statement Rate				Balance Sheet Rate	
Y-T-D Average Rate	% Reval/(Deval) vs. Budget	% Reval/(Deval) vs. Prior Year	Currency	at Month end	% Reval/(Deval) vs. Dec. 1991
31.28	11.89 %	(0.90) %	Belgian Franc	32.63	1.29 %
$1.87	9.36	(5.56)	British Pound	$1.81	1.69
1.52	11.84	(2.63)	Deutsche Mark	1.59	0.63
1.71	11.70	(2.34)	Dutch Guilder	1.79	1.12
5.18	11.58	(3.47)	French Franc	5.40	1.48
1,148.00	10.28	(3.31)	Italian Lira	1,192.00	1.66
1.36	8.82	(7.35)	Swiss Franc	1.40	1.43
$0.76	(5.00)	(2.56)	Australian Dollar	$0.75	(5.06)
124.80	8.17	8.97	Japanese Yen	126.00	2.38
25.75	0.97	6.80	New Taiwan Dollar	25.00	3.00
740.00	(0.95)	(3.38)	Korean Won	765.00	(3.27)
			Cross Rates:		
671.35	(1.27)	(0.99)	Lira/DG	665.92	0.54
755.26	(1.40)	(0.70)	Lira/DM	749.69	1.03
3.03	(0.10)	(1.16)	FF/DG	3.02	0.36
3.41	(0.23)	(0.88)	FF/DM	3.40	0.85
82.11	(3.28)	11.92	YEN/DM	79.25	1.74

2024338477

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL

LISTING OF LICENSEES, AFFILIATES AND SUBSIDIARIES - TOBACCO

Licensees and Other Manufacturing Arrangements			Principal Subsidiaries and Affiliates			
Country		Manufacturer	Country	Equity Participation Rights (Direct/Indirect)		Subsidiary/Affiliate
Andorra	-	Industries Montanya S.A.	Belgium	100.00%	-	Philip Morris Belgium, S.A.
Belgium	-	Jubile S.A.	Canary Islands	50.00	-	Philip Morris Espana, S.A.
France	-	Manufacture Corse de Tabacs Job et Bastos S.A. (Corsica)	France	100.00	-	Philip Morris France S.A.
			Germany	100.00	-	Philip Morris GmbH
Greece	-	Papastratos Cigarette Mfg. Co.	Holland	100.00	-	Philip Morris Holland B.V.
Holland	-	Sigarettenfabriek Ed. Laurens B.V.	Italy	100.00	-	Intertabe S.p.A.
Italy	-	Amministrazione Dei Monopoli di Stato	Portugal	100.00	-	Philip Morris Portugal, Limitada
Malta	-	Austria Tabakwerke A.G.	U.K.	100.00	-	Philip Morris Limited (Branch)
Spain	-	Tabacalera S.A.		35.00	-	Rothmans (UK) Limited
Germany	-	Martin Brinkmann A.G.				
			Czechoslovakia	100.00	-	PM Czechoslovakia S.S.R.O.
Algeria	-	Societe Nationale des Tabacs et Allumettes	Hungary	80.00	-	Egri Dohanygyar Kft.
Austria	-	Austria Tabakwerke A.G.	Nigeria	25.00	-	International Tobacco Co. Ltd. (ITCL)
Bulgaria	-	Bulgartabac	Poland	100.00	-	Philip Morris Poland Sp. z o.o.
Cameroon	-	Societe Industrielle des Tabacs du Cameroun	Russia	31.00	-	Constellation
Czechoslovakia	-	Ceskoslovensky Tabakovy Priemysel	Switzerland	100.00	-	Fabriques de Tabac Reunies, S.A.
				100.00	-	Philip Morris Europe, S.A. (Branch)
Egypt	-	Egypt International Trading Company	Turkey	75.00	-	PHILSA Philip Morris Sabanci Sigara ve Tutunculuk Sanayi ve Ticaret A.S.
Finland	-	Amer Tupakka Oy				
Ivory Coast	-	Societe Ivorienne des Tabacs		100.00	-	Arizona Pronosyon Servisieri Limited Sirketi
La Reunion	-	Societe Industrielle des Tabacs de la Reunion	Yugoslavia	100.00	-	PM Ljubljana D.o.o.
Poland	-	Agros, and ZPT		100.00	-	PM Yugoslavia D.o.o.
Rep. of S. Africa	-	Rembrandt Tobacco Mfg. Corporation of South Africa Limited	Australia	100.00	-	Philip Morris (Australia) Ltd.
Senegal	-	Manufacture de Tabac de L'Ouest Africain		100.00	-	Philip Morris Ltd.
Yugoslavia	-	Duvanski Kambinat-Novi Said				
	-	Fabrika Duvana Sarajevo	Hong Kong	100.00	-	Philip Morris Asia Inc. (Branch)
			India	35.93	-	Godfrey Phillips India Ltd.
Hong Kong	-	Hong Kong Tobacco Company	Japan	100.00	-	Philip Morris Kabushiki Kaisha
Indonesia	-	P.T. Perusahaan Dagang Dan Industri Tresno	Korea	100.00	-	Philip Morris Korea C.H.
Japan	-	Japan Tobacco Incorporated	Pakistan	40.43	-	Premier Tobacco Industries Ltd.
Malaysia	-	Rothmans of Pall Mall (Malaysia) Bhd.	Taiwan	100.00	-	Philip Morris Taiwan Inc.
Philippines	-	La Suerte Cigar & Cigarette Factory	Thailand	100.00	-	Philip Morris Thailand Ltd. (Branch)
Aruba	-	Superior Tobacco Co., N.V.	Canada	40.00	-	Rothmans, Benson & Hedges Inc.
Bolivia	-	Compania Industrial De Tabacos, S.A.				
Chile	-	Fabrica de Cigarrillos Ltda. (Facil)	Argentina	63.34	-	Massalin Particulares S.A.
Peru	-	Tabacalera Nacional, S.A.	Brazil	100.00	-	Philip Morris Marketing S.A. (Branch)
			Costa Rica	51.00	-	Tabacalera Costarricense, S.A.
			Dominican Rep.	47.53	-	E. Leon Jimenes, C. por A.
				39.71	-	Cerveceria Nacional Dominicana, C. por A.
				39.71	-	Cerveceria Bohemia, S.A.
			Ecuador	50.00	-	Proveedora Ecuatoriana S.A. (Proesa)
				38.05	-	Tabacalera Andina, S.A. (Tanasa)
				50.00	-	Industrias del Tabaco, Alimentos y Bebidas S.A. (Itabsa)
				49.34	-	Fabrica de Cigarrillos El Progreso S.A.
				24.00	-	Industria Licorera Hispanoamericana S.A. (Ilsa)
				49.98	-	Sociedad Agricola Commercial Ecuatoriana

2024338478

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000

PHILIP MORRIS INTERNATIONAL

LISTING OF LICENSEES, AFFILIATES AND SUBSIDIARIES - TOBACCO - (CONT'D)

Licensees and Other Manufacturing Arrangements		Principal Subsidiaries and Affiliates			
Country	Manufacturer	Country	Equity Participation Rights (Direct/Indirect)		Subsidiary/Affiliate
		El Salvador	51.00	-	Tabacalera de El Salvador, S.A. de C.V. (Tasasa)
		Guatemala	91.96	-	Tabacalera Centroamericana, S.A. (Tacasa)
		Mexico	28.68	-	Cigarros La Tabacalera Mexicana, S.A. de C.V. (Cigatam)
		Panama	45.00	-	Tabacalera Nacional, S.A. (Tabacal)
		Puerto Rico	100.00	-	Philip Morris Sales Inc. (Branch)
		Uruguay	89.93	-	Abal Hermanos, S.A.
		Venezuela	48.94	-	Compania Anonima Tabacalera Nacional, S.A. (Catana)

LISTING OF AFFILIATES AND SUBSIDIARIES - FOOD

Country	Equity Participation Rights (Direct/Indirect)		Subsidiary/Affiliate
Argentina	100.00	-	Suchard Argentina
Brazil	97.48	-	Kibon S.A.
	43.87	-	Q'Refres-Ko S.A.
	48.74	-	Sorvetes e Produtos Alimenticios do Nordeste S.A.
Colombia	70.00	-	General Foods de Colombia
	49.00	-	Colombina General Foods S.A.
Mexico	100.00	-	Kraft General Foods de Mexico, S.A. de C.V.
Panama	100.00	-	Kraft Foods S.A.
Venezuela	100.00	-	Alimentos Kraft de Venezuela C.A.

2024338479

Source: https://www.industrydocuments.ucsf.edu/docs/qlbl0000